

# CRS Report for Congress

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### Indonesian Elections

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#### Summary

On April 5, 2004, Indonesia successfully completed the first step of a multi-phase election process for 2004. The first phase elected the national legislature and the new regional representative council. The second phase, held on July 5, 2004, sought to elect a President. This led to a run-off election on September 20, 2004, between Susilo Bambang Yudhoyono, the current president, and Megawati Sukarnoputri, the former president of Indonesia. The 2004 elections were judged to be free and fair. This bodes well for evolution of democracy in Indonesia. Nationalist and secular parties were the most popular with voters. The Islamist parties' limited appeal can be attributed more to their anti-corruption and good governance policies than to an overtly Islamist agenda. This report will not be updated.

#### April Parliamentary Elections

The Indonesian General Election Commission (KPU) registered 147 million Indonesians to take part in the April 5, 2004 poll in which 7,800 candidates from 24 political parties ran for 550 seats in the national legislature (DPRD).<sup>1</sup> One hundred and twenty eight individuals were also elected to the new Regional Representative Council (DPD). Analysis of the election attributed the decline in support for former President Megawati's Indonesian Democratic Party of Struggle (PDI-P), as compared with the 1999 parliamentary elections, to the lack of economic growth, Megawati's governing style, and continuing government corruption.<sup>2</sup> The vote was generally peaceful with the exception of limited fighting between Free Aceh Movement (GAM) forces and the Indonesian National Defense Forces in the region of Nanggoroe, Aceh Darussalam.<sup>3</sup> (See table below for election results.)

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<sup>1</sup> Shoeb Kagda, "Indonesians Cast Votes," *The Business Times*, April 6, 2004.

<sup>2</sup> "Megawati's Bid for New Mandate in Doubt as Indonesians Vote for Change," *Agence France Presse*, April 11, 2004.

<sup>3</sup> "Indonesia's Police Chief Says Clashes in Aceh No Disruption to Polling," *BBC Monitoring*, April 6, 2004.

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## April Election Results

<b>Party</b>	<b>Vote % 2004</b>	<b>Seats</b>	<b>% 1999</b>
Golkar (Wiranto)	21.6	128	22.5
PDI-P Indonesian Democratic Party of Struggle (President Megawati)	18.5	109	33.7
PKB National Awakening Party (former President Wahid)	10.57	52	12.7
PPP United Development Party (Vice President Hamzah Haz)	8.15	58	10.7
PD Democratic Party (Former Security Minister Susilo Bambang Yudhoyono)	7.45	57	Did not run
PAN National Mandate Party (Speaker Amien Rais)	6.44	52	7.2
PKS Prosperous Justice Party (Islamic based)	7.34	45	1.0

The biggest surprise in the April 2004 election was the performance of the Democrat Party of Susilo Bambang Yudhoyono. Yudhoyono was President Megawati's Security Minister until he quit the cabinet in the lead-up to the April elections. Early analysis attributed the party's better-than-expected performance to the popularity of Yudhoyono. While the Democratic Party's percentage of the vote was significantly less than both the PDI-P's and Golkar's share, in the parliamentary elections individual personalities of the leaders played a more influential role in the presidential vote in July.<sup>4</sup> It has been reported that 58% of voters claimed no party affiliation prior to the April poll.<sup>5</sup>

The 2004 parliamentary election proceeded in a generally free and fair manner. They follow the 1999 election which was the first open election since 1955. Golkar remained a potent political force after the 1999 election. It did not suffer the significant loss of public support experienced by PDI-P in the 2004 parliamentary election. Seats formerly reserved for the military were eliminated prior to the 2004 elections. Islamist parties seeking to institute Sharia law and have Indonesia officially become an Islamic state exist

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<sup>4</sup> "Indonesian Presidential Favorite Surges in New Poll," *Reuters News*, 22 April, 2004.

<sup>5</sup> "Count Down to 2004," *United States - Indonesia Society*, January 9, 2004.

but they have a relatively small following.<sup>6</sup> The Justice Party is thought to have done well by downplaying its Islamic agenda and instead focusing on good governance issues.<sup>7</sup> The moderate Islamic parties drew their support to a large extent, though not exclusively, from the moderate Islamic organizations Muhammadiyah and Nahdlatul Ulama. These two groups have extensive educational networks and approximately 60 million followers between them.<sup>8</sup>

## Presidential Election

The first presidential election of 2004 was held on July 5, 2004. Its outcome led to a second runoff election in September. Only parties that won 5% of the national vote, or won 3% of parliamentary seats were allowed to contest the July 5 presidential election. No single candidate won an outright first round victory in July 2004, which required a majority of the vote with the additional requirement of 20% of the vote being distributed among at least half of the provinces.<sup>9</sup> In the first round of the presidential election the Susilo Bambang Yudhoyono-Jusuf Kalla ticket won 33.57% of the vote with the Megawati Sukarnoputri-Hasyim Muzadi ticket coming second with 26.6% of the vote.<sup>10</sup> This led to a run-off election between the two most popular candidates, Yudhoyono and Megawati, on September 20, 2004.<sup>11</sup> In the second round, Yudhoyono won with 60.62% of the vote as compared to Megawati's 39.38%.<sup>12</sup> This was the first election where Indonesians had the opportunity to directly vote for the President. Some observers noted a focus on individual candidates and parties to a greater extent than on issues and accountability of politicians by the Indonesian public in 2004. Indonesians rated unemployment, poverty, and high prices as they key issues for the elections of 2004. They also viewed Yudhoyono and Kalla as best suited to deal with these problems.<sup>13</sup>

Yudhoyono has been called the “thinking general.”<sup>14</sup> Born in 1949 in East Java, he graduated from Indonesia’s military academy in 1973 and retired from the military as a four-star general in 2000 to join the government of Abdurrahman Wahid as Minister for Mines and later Chief Minister for Security and Political Affairs. He also served in President Megawati’s government.<sup>15</sup>

<sup>6</sup> “Historic Elections in Indonesia,” U.S.-Indonesia Society, April 19, 2004.

<sup>7</sup> Devi Asmarani, “PKS Wins Votes by Downplaying Islamic Agenda,” *The Straits Times*, April 12, 2004.

<sup>8</sup> Merle Ricklefs, “The Future of Indonesia,” *History Today*, December 1, 2003.

<sup>9</sup> Andrew Ellis, “Indonesia’s New General Election Law,” *United States - Indonesia Society*, July 16, 2003.

<sup>10</sup> Greg Fealy, “The 2004 Presidential Elections,” US Indonesia Society.

<sup>11</sup> John McBeth and Tom McCawley, “Bleak Prospects Ahead for the Front Runner,” *Far Eastern Economic Review*, October 2, 2003.

<sup>12</sup> “SBY Declared President Elect,” *Antara Morning News Digest*, October 5, 2004.

<sup>13</sup> “New Poll Favors Susilo Bambang Yudhoyono,” U.S.-Indonesia Society, June 15, 2004.

<sup>14</sup> Rachael Harvey, “Susilo Bambang Yudhoyono,” *BBC News*, May 18, 2004.

<sup>15</sup> Tomi Soetjipto, “Indonesia Parties Manoeuvre as Vote Count Drags on,” *Reuters*, April 12, (continued...)

One surprise in the lead-up to the presidential elections was the selection of former General Wiranto to be the Golkar party presidential nominee. Wiranto defeated Golkar Chairman, and Speaker of the Parliament, Akbar Tandjung in a 315 to 227 vote of Golkar party delegates. Wiranto was indicted in February 2003 by United Nations prosecutors for his alleged role in crimes against humanity in East Timor in 1999. The lodging of the arrest warrant with interpol meant that Wiranto could be arrested if he leaves the country.<sup>16</sup> Bilateral relations with the United States would have been greatly complicated if Wiranto had become President given the history of Congressional concern over human rights abuses in East Timor. That said, former U.S. Ambassador to Indonesia Ralph Boyce issued a statement that “we can work with anybody that comes out of a free [election] process.”<sup>17</sup> In 2000, then-President Wahid removed Wiranto from the cabinet after Indonesia’s National Human Rights Commission held him responsible for the violence that was associated with the East Timor referendum.<sup>18</sup>

A positive aspect of the post-Suharto period of reform has been the expansion of the political party system. The opening of Indonesia’s democracy in the *reformasi* period witnessed the emergence of a plethora of political parties. The number has decreased from 48 in 1999 to 24 in 2004. The National Awakening Party (PKB), was established in 1998 by NU which is believed to have a membership of some 30 million “traditionalist” members -meaning pluralist and tolerant Muslims in the Indonesian context.<sup>19</sup> NU rejects the goal of establishing an Islamic state under Sharia law and is open to non-Muslim members.<sup>20</sup> National Mandate Party’s (PAN) support base in 2004 was drawn from the “modernist” Islamic organization Muhammadiyah.<sup>21</sup>

Indonesia has continued to make progress on government reform and the expansion of democracy. Most recently in early 2005 President Yudhoyono’s government moved to get the military out of business. Parliament passed legislation in 2003 to impose transparent accounting standards for government and to establish an independent commission to prosecute corruption.<sup>22</sup> One can also point to the functioning of the General Elections Commission in the lead up to the 2004 elections as a positive

<sup>15</sup> (...continued)

2004.

<sup>16</sup> “Arrest Warrent for Jakarta General,” *BBC News*, May 10, 2004.

<sup>17</sup> “U.S. Can Work with a Future President Wiranto,” *Agence France Presse*, 22 April, 2004.

<sup>18</sup> Harvey Demaine, “Indonesia: Physical and Social Geography,” in *The Far East and Australasia*, (Surrey: Europa Publications, 2002), p. 502.

<sup>19</sup> Robert Hefner, “Islam and the State in the Post-Suharto Era,” in Adam Schwartz and Jonathan Paris, *The Politics of Post-Suharto Indonesia*, (New York: The Council on Foreign Relations, 1999).

<sup>20</sup> “Indonesia Backgrounder: A Guide to the 2004 Elections,” *International Crisis Group*, December, 2003.

<sup>21</sup> “Campaign Nuggets,” *U.S. - Indonesia Society*, June 15, 2004.

<sup>22</sup> John McBeth, “The Betrayal of Indonesia,” *Far Eastern Economic Review*, June 26, 2003.

democratic development that helps reinforce civil society in Indonesia.<sup>23</sup> A vigorous and open media is another continuing success of the developing civil society in Indonesia. The process of decentralization currently underway also holds the prospect of greater say for average Indonesians in the affairs of their daily lives.<sup>24</sup>

## Political Developments

The successful series of elections of 2004 did much to consolidate the democratic process in Indonesia. They also more firmly established the dominance of secular-nationalist parties. Golkar remains the largest political party despite its association with the now discredited regime of former President Suharto. Vice President Jusuf Kalla is leader of Golkar and there is speculation about rivalry between Kalla and Yudhoyono.<sup>25</sup> Megawati's PDI-P remains the second largest party though reduced in stature after Megawati's defeat by Yudhoyono in 2004. The Democratic Party of President Yudhoyono was a relative newcomer in 2004 as it did not contest elections in 1999. It is thought to have done well because it offered an alternative to Golkar and PDI-P which formed the established political elite. Despite the predominance of the secular-nationalist parties there are parties with a more Islamic orientation including the Prosperous Justice Party (PKS), the National Mandate Party (PAN), the National Awakening Party (PKB), and the United Development Party (PPP).<sup>26</sup> There is some concern that the political parties lack maturity as demonstrated by allegations of bribery and vote buying at some party congresses.<sup>27</sup>

<sup>23</sup> Christine Tjhin, "Civil Society After Akbar's Acquittal," *The Jakarta Post*, February 17, 2004.

<sup>24</sup> Tim Meisburger, ed. *Democracy in Indonesia: A Survey of the Indonesian Electorate in 2003* (Jakarta: The Asia Foundation, 2003), p.55.

<sup>25</sup> "Susilo-Kalla Rivalry May Hamper Road to Effective Governance," *The Jakarta Post*, January 22, 2005.

<sup>26</sup> "Indonesian Political Forces," *The Economist Intelligence Unit*, May 17, 2005.

<sup>27</sup> A'an Suryana, "Political Parties Still Lack Maturity," *The Jakarta Post*, May 12, 2005.